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3 RESOLUTION 08-26
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5 RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT
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8 WHEREAS, the California Housing Finance Agency (the "Agency") has received a
9 loan application on behalf of Banning Leased Housing Associates, I, Limited Partnership, a
10 Minnesota limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of
11 which are to be used to provide financing for a multifamily housing development located in
12 Banning, Riverside County, California, to be known as Westview Terrace Apartments (the
13 "Development"); and
14

15 WHEREAS, the loan application has been reviewed by Agency staff which prepared a
16 report presented to the Board on the meeting date recited below (the "Staff Report"),
17 recommending Board approval subject to certain recommended terms and conditions; and
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19 WHEREAS, the United States and global capital markets have encountered
20 unpredictable and unprecedented disruptions in recent days, and that those disruptions have
21 resulted in conditions in which the Agency may not be able to effectively access those markets;
22 and
23

24 WHEREAS, Agency staff can not recommend entering into binding loan
25 commitments unless and until the staff determines that (i) it can effectively access capital
26 markets in a manner that is prudent, and that (ii) any financial mechanisms needed to insure
27 prudent and reasonable financing of loans can be achieved; and
28

29 WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Agency, as the
30 issuer of tax-exempt bonds, to declare its reasonable official intent to reimburse prior
31 expenditures for the Development with proceeds of a subsequent borrowing; and
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33 WHEREAS, on March 18, 2008, the Executive Director exercised the authority
34 delegated to her under Resolution 94-10 to declare the official intent of the Agency to reimburse
35 such prior expenditures for the Development; and
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37 WHEREAS, the Board wishes to grant the staff the authority to enter into a loan
38 commitment if and when the Agency staff determines in its judgment that reasonable and
39 prudent financing mechanisms can be achieved;
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41 1. The Executive Director, or in his/her absence, either the Chief Deputy Director
42 or the Director of Multifamily Programs of the Agency is hereby authorized to execute and
43 deliver a final commitment letter, in a form acceptable to the Agency, and subject to
44 recommended terms and conditions set forth in the Staff Report and any terms and conditions as
45 the Board has designated in the Minutes of the Board Meeting, in relation to the Development
46 described above and as follows:

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6 PROJECT DEVELOPMENT NAME/ MORTGAGE

7 NUMBER LOCALITY AMOUNT

8

9 07-012-A/S Westview Terrace Apartments \$7,220,000.00 Acq/Rehab 1st Mortgage

10 Banning, Riverside County, \$2,075,000.00 Permanent 1st Mortgage

11 California \$3,225,000.00 Permanent 2nd Mortgage

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13 The Board recognizes that in the event that staff cannot determine that reasonable and prudent
14 financing mechanisms can be achieved, the staff will not enter into loan commitments to finance
15 the Project. In addition, access to capital markets may require significant changes to the terms of
16 loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is authorized to make
17 any needed modifications to the loan which in staff's judgment are directly or indirectly the
18 result of the disruptions to the capital markets referred to above.

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20 2. The Executive Director may modify the terms and conditions of the loans or
21 loans as described in the Staff Report, provided that major modifications, as defined below, must
22 be submitted to this Board for approval. "Major modifications" as used herein means
23 modifications which either (i) increase the total aggregate amount of any loans made pursuant to
24 the Resolution by more than 7%; or (ii) modifications which in the judgment of the Executive
25 Director, or in his/her absence, either the Chief Deputy Director or the Director of Multifamily
26 Programs of the Agency, adversely change the financial or public purpose aspects of the final
27 commitment in a substantial way.

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29 I hereby certify that this is a true and correct copy of Resolution 08-26 adopted at a duly
30 constituted meeting of the Board of the Agency held on September 18, 2008, at Burbank,
31 California.

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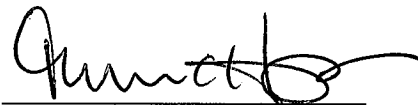
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ATTEST:



Secretary